

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

**CASE MANAGEMENT TRACK DESIGNATION FORM**

Ryan Contractors, Inc.

CIVIL ACTION

v.

Small Business Administration and Isabella Casillas  
Guzman

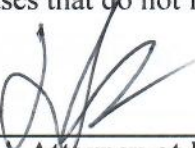
NO.

In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

**SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:**

- (a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255. ( )
- (b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits. ( )
- (c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2. ( )
- (d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos. ( )
- (e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.) ( )
- (f) Standard Management – Cases that do not fall into any one of the other tracks. (x)

8/14/2024

**Date**  
**Attorney-at-law**

Ryan Contractors, Inc.

**Attorney for**

(215) 923-8833

**Telephone**

(215) 923-1611

**FAX Number**

duanelassiter@lassiterfirm.com

**E-Mail Address**

(Civ. 660) 10/02





The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

Attorneys (If Known)

- |                                         | PTF                                   | DEF                        |                                                                      | PTF                        | DEF                        |
|-----------------------------------------|---------------------------------------|----------------------------|----------------------------------------------------------------------|----------------------------|----------------------------|
| Citizen of This State                   | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated <i>or</i> Principal Place of Business In This State     | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State                | <input type="checkbox"/> 2            | <input type="checkbox"/> 2 | Incorporated <i>and</i> Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3            | <input type="checkbox"/> 3 | Foreign Nation                                                       | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

- | RECEIPT # | AMOUNT | APPLYING IFP | JUDGE | MAG. JUDGE |
|-----------|--------|--------------|-------|------------|
|-----------|--------|--------------|-------|------------|



05/2023

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

**DESIGNATION FORM**

*(to be used by counsel to indicate the category of the case for the purpose of assignment to the appropriate calendar)*

Address of Plaintiff: 5223 Germantown Avenue, Suite #110, Philadelphia, PA 19144

Address of Defendant: 409 3rd Street, SW, Washington, DC 20416

Place of Accident, Incident or Transaction: Philadelphia, PA

**RELATED CASE IF ANY:**

Case Number: \_\_\_\_\_ Judge: \_\_\_\_\_ Date Terminated \_\_\_\_\_

Civil cases are deemed related when **Yes** is answered to any of the following questions:

- |                                                                                                                                                                                        |                              |                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|
| 1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court?                                        | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit Pending or within one year previously terminated action in this court?            | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 3. Does this case involve the validity or infringement of a patent already in suit or any earlier Numbered case pending or within one year previously terminated action of this court? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 4. Is this case a second or successive habeas corpus, social security appeal, or pro se case filed by the same individual?                                                             | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

I certify that, to my knowledge, the within case ☐ is / ☒ is not related to any now pending or within one year previously terminated action in this court except as note above.

DATE: \_\_\_\_\_

*Attorney-at-Law (Must sign above)*

*Attorney I.D. # (if applicable)*

**Civil (Place a ☒ in one category only)**

**A. Federal Question Cases:**

- ☐ 1. Indemnity Contract, Marine Contract, and All Other Contracts)
- ☐ 2. FELA
- ☐ 3. Jones Act-Personal Injury
- ☐ 4. Antitrust
- ☐ 5. Wage and Hour Class Action/Collective Action
- ☐ 6. Patent
- ☐ 7. Copyright/Trademark
- ☐ 8. Employment
- ☐ 9. Labor-Management Relations
- ☐ 10. Civil Rights
- ☐ 11. Habeas Corpus
- ☐ 12. Securities Cases
- ☐ 13. Social Security Review Cases
- ☐ 14. Qui Tam Cases
- ☒ 15. All Other Federal Question Cases. (Please specify): SBA review of request for COVID-19 EIDL increase

**B. Diversity Jurisdiction Cases:**

- ☐ 1. Insurance Contract and Other Contracts
- ☐ 2. Airplane Personal Injury
- ☐ 3. Assault, Defamation
- ☐ 4. Marine Personal Injury
- ☐ 5. Motor Vehicle Personal Injury
- ☐ 6. Other Personal Injury (Please specify): \_\_\_\_\_
- ☐ 7. Products Liability
- ☐ 8. All Other Diversity Cases: (Please specify) \_\_\_\_\_

**ARBITRATION CERTIFICATION**

*(The effect of this certification is to remove the case from eligibility for arbitration)*

I, Duane L. Lassiter, Esquire, counsel of record or pro se plaintiff, do hereby certify:

☒ Pursuant to Local Civil Rule 53.2 § 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of \$150,000.00 exclusive of interest and costs:

☐ Relief other than monetary damages is sought.

DATE: August 14, 2024

*Attorney-at-Law (Sign here if applicable)*

81323

*Attorney ID # (if applicable)*

NOTE: A trial de novo will be a jury only if there has been compliance with F.R.C.P. 38.

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

<b>RYAN CONTRACTORS, INC.</b>	:	<b>CIVIL ACTION</b>
<b>5223 Germantown Avenue</b>	:	
<b>Suite #110</b>	:	
<b>Philadelphia, PA 19144</b>	:	
	:	
<b>Plaintiff,</b>	:	
	:	
<b>v.</b>	:	
	:	
<b>SMALL BUSINESS ADMINISTRATION</b>	:	
<b>409 3<sup>rd</sup> Street, SW</b>	:	
<b>Washington, DC 20416</b>	:	
<b>and</b>	:	
<b>ISABELLA CASILLAS GUZMAN</b>	:	
<b>Administrator, SBA</b>	:	
<b>409 3<sup>rd</sup> Street, SW</b>	:	
<b>Washington, DC 20416</b>	:	
	:	
<b>Defendants</b>	:	

**COMPLAINT FOR DECLARATORY, INJUNCTIVE AND MANDAMUS RELIEF**

Ryan Contractors, Inc., by and through its attorneys, Lassiter & Associates, P.C., alleges and states as follows:

**INTRODUCTION AND BACKGROUND**

1. This is an action under the Administrative Procedure Act (“APA”), 5 U.S.C. § 706, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, seeking emergency federal financial assistance unlawfully withheld by Defendants, Small Business Administration (“SBA”) and its Administrator, Isabella Casillas Guzman.

2. The COVID-19 Economic Injury Disaster Loan (“EIDL”) and EIDL Advance programs were established to provide funding to help small businesses recover from the economic impacts of the COVID-19 pandemic.

3. COVID-19 EIDL funding was offered in two types: a) COVID-19 EIDL loan funds to be used for working capital and other normal operating expenses which are repayable; and b) EIDL Advance Funds which were forgivable.

4. Beginning October 8, 2021, the maximum loan amount under the COVID-19 EIDL program was increased to \$2,000,000.00.

5. The COVID-19 EIDL funding is administered by the SBA and Administrator Casillas Guzman.

6. As of May 6, 2022, the SBA stopped processing COVID-19 EIDL loan increase requests or requests for reconsideration of previously declined loan applications.

7. Ryan Contractors, Inc., is a small business that provides construction contracting, construction management and property rehabilitation services.

8. Ryan Contractors, Inc. made an initial application for Covid-19 EIDL funding and was determined to be eligible for initial funding in the original amount of \$111,500.00.

9. The initial application was approved, and all required funding documents were executed and finalized on August 10, 2020. The funds were disbursed to Ryan Contractors, Inc. thereafter.

10. Ryan Contractors, Inc. applied for a COVID-19 EIDL increase on or about January 15, 2021.

11. In its application, Ryan Contractors, Inc. demonstrated that it qualified for a COVID-19 EIDL increase.

12. Ryan Contractors, Inc. complied with all requests for additional documentation required by the defendants and otherwise met the requirements for a COVID-19 EIDL increase.

13. Ryan Contractors, Inc.'s supporting documentation included tax return documentation and specific answers to SBA requests.

14. The COVID-19 pandemic has had a devastating impact on Ryan Contractors, Inc., causing

a substantial and devastating decrease in revenue for the Company.

15. Ryan Contractors met all requirements for a COVID-19 EIDL increase well in advance of May 6, 2022.

### **JURISDICTION AND VENUE**

16. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331 because it presents federal questions under the APA.

17. Venue lies in this district under 28 U.S.C. § 1391(e)(1) because Plaintiff, Ryan Contractors, Inc., has its place of business and legal address in this District.

18. This Court has authority to issue declaratory and injunctive relief under 5 U.S.C. § 706 and 28 U.S.C. §§ 2201 and 2202.

### **THE PARTIES**

19. Ryan Contractors, Inc., is a small business that provides construction contracting, construction management and property rehabilitation services with headquarters in Philadelphia, PA.

20. Defendant, SBA, is an independent agency of the federal government. The SBA's mission is to help Americans start, build and grown businesses.

21. Defendant, Isabella Casillas Guzman, is the Administrator of the SBA and oversees its operations. Administrator Isabella Casillas Guzman is being sued in her official capacity.

### **CLAIMS FOR RELIEF**

#### **COUNT I: ARBITRARY AND CAPRICIOUS AGENCY ACTION**

22. The allegations contained in all preceding paragraphs are incorporated here as if set forth fully and here reiterated in their entirety.

23. The courts recognize a strong presumption favoring judicial review of administrative

action.

24. The APA provides that “[a] person suffering legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute, is entitled to judicial review thereof.” 5 U.S.C. § 702.

25. The APA provides that “final agency action for which there is no other adequate remedy in a court” is “subject to judicial review.” 5 U.S.C. § 704.

26. The APA provides that courts will “hold unlawful and set aside” agency action that is “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law” or “unsupported by substantial evidence.” 5 U.S.C. § 706(2)(A) and (E), respectively.

27. The SBA is an “agency” whose final actions are reviewable under the APA.

28. A basic requirement of administrative law is that an agency provide the reasons for its decisions.

29. However, the SBA gave no reason for failing to act on Ryan Contractors, Inc.’s COVID-19 EIDL increase.

30. The SBA’s failure to act on Ryan Contractors, Inc.’s application for a COVID-19 EIDL increase conflicts with the evidence of Ryan Contractors, Inc.’s eligibility that it presented to SBA in its application and its subsequently submitted documentation.

31. For each of these reasons, the SBA’s failure to act on Ryan Contractors, Inc.’s eligibility for a COVID-19 EIDL increase is arbitrary and capricious.

32. At a minimum, there is no way to determine that the agency’s action was reasonable in the absence of any explanation for that action.

**COUNT II: AGENCY ACTION CONTRARY TO LAW**

33. The allegations contained in all preceding paragraphs are incorporated here as if set forth fully and here reiterated in their entirety.

34. Ryan Contractors, Inc. demonstrated eligibility for a COVID-19 EIDL increase.

35. The SBA's failure to act on Ryan Contractors, Inc.'s request for a COVID-19 EIDL increase therefore violated the Act and is contrary to law.

**COUNT III: AGENCY DECISION UNSUPPORTED BY SUBSTANTIAL EVIDENCE**

36. The allegations in all preceding paragraphs are incorporated and made part of this paragraph as if fully set forth here.

37. The SBA's failure to act on Ryan Contractors, Inc.'s request for a COVID-19 EIDL increase and approve an increase is contrary to the evidence.

38. Ryan Contractors, Inc.'s application and subsequently furnished materials presented substantial evidence that demonstrates that Ryan Contractors, Inc. is eligible for a COVID-19 EIDL increase for which it applied.

**COUNT IV: MANDAMUS RE: ISSUANCE OF A FORMAL DECISION**

39. The allegations contained in all preceding paragraphs are incorporated here as if set forth fully and here reiterated in their entirety.

40. As set forth herein, the SBA has never issued a formal decision regarding Ryan Contractors, Inc.'s request for a COVID-19 EIDL increase.

41. The absence of a formal decision and explanation could well impede judicial review.

**PRAYER FOR RELIEF**

For the foregoing reasons, Ryan Contractors, Inc., respectfully prays unto the Court to:

- a. Order Defendants to issue a formal decision clarifying the basis for their inaction on plaintiff's request for a COVID-19 EIDL increase;



- b. Preliminarily and permanently order Defendants to consider Ryan Contractors, Inc.'s application for a COVID-19 EIDL increase consistent with applicable law and the evidence before the SBA;
- c. Preliminarily and permanently order Defendants to award a COVID-19 EIDL increase to Ryan Contractors, Inc.;
- d. Award Plaintiff their costs and reasonable attorney fees; and
- e. Grant such other and further relief as the Court deems just and proper.

Respectfully submitted by,

Dated: August 14, 2024

LASSITER & ASSOCIATES, P.C.

BY: /s/ **Duane L. Lassiter**

Duane L. Lassiter, Esquire

LASSITER & ASSOCIATES, P.C.

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Attorney for Plaintiff

Ryan Contractors, Inc